

Chapter 2. Reverse Mortgage Counseling Process Overview

Overview

Contents

This chapter contains the topic “Overview of the Reverse Mortgage Counseling Process.”

1. Overview of the Reverse Mortgage Counseling Process

Change Date

PROTCL 2.1.a
Stages of the
Reverse
Mortgage
Counseling
Process

The table below describes the stages of the reverse mortgage counseling process.

Reference: For more specific details on the required activities and topics for discussion during the stages of the counseling process, see [HECM Protocol 3](#).

| Stage | Stage Name | Who Is Responsible | Description |
|-------|---------------|--|--|
| 1 | Client Intake | <ul style="list-style-type: none"> • Counselor, or • Trained Assistant | <p>Talks with the client(s), in person or via telephone, to</p> <ul style="list-style-type: none"> • provide an overview of the counseling process • gather specific client information and discuss client objectives • disclose fee information • discuss special client needs and counseling participation, and • provide required HUD handouts. <p>Reference: For more information on the Client Intake stage, see HECM Protocol 4.</p> |

Continued on next page

1. Overview of the Reverse Mortgage Counseling Process, Continued

PROTCL 2.1.a Stages of the Reverse Mortgage Counseling Process (continued)

| Stage | Stage Name | Who Is Responsible | Description |
|-------|--------------------|--------------------|---|
| 2 | Counseling Session | Counselor | <p>Conducts the counseling session in which he/she</p> <ul style="list-style-type: none"> • confirms the client data gathered during Client Intake • discusses client interest in a reverse mortgage and personal/financial goals • discusses <ul style="list-style-type: none"> – client needs and circumstances, and – client and property eligibility • reviews/discusses reverse mortgage <ul style="list-style-type: none"> – features – costs – obligations, and – implications after closing • provides information on <ul style="list-style-type: none"> – financial alternatives – reverse mortgage refinances – HECMs for purchase, and – purchasing an annuity with a reverse mortgage • reviews the client understanding of the session contents • provides additional materials and resources, and • issues the Counseling Certificate. <p>Reference: For more information on the Counseling Session stage, see HECM Protocol 5.</p> |

Continued on next page

1. Overview of the Reverse Mortgage Counseling Process, Continued

PROTCL 2.1.a Stages of the Reverse Mortgage Counseling Process (continued)

| Stage | Stage Name | Who Is Responsible | Description |
|-------|----------------------------|--------------------|---|
| 3 | Completing the Client File | Counselor | <p>At the end of the counseling session, completes the client file with all required documents/information.</p> <p>Reference: For more information on the Completing the Client File stage, see HECM Protocol 6.</p> |
| 4 | Follow Up | Counselor | <p>Makes reasonable efforts to conduct a verbal follow up with the client and, if unsuccessful, attempts to contact the client through a letter or email in order to determine if</p> <ul style="list-style-type: none">• additional client services are needed, or• the agency should terminate counseling services. <p>Reference: For more information on the Follow Up stage, see HECM Protocol 6.</p> |
